

**CITY OF SAN JOSE**  
**OFFICE OF THE CITY AUDITOR**  
**Procedure No. M-13**

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**AUDITEE’S DESCRIPTION OF INTERNAL CONTROLS  
TO ADDRESS THREATS LIST**

**Purpose**

To identify the controls or procedures the auditee has in place to prevent, eliminate or minimize the threats.

**Background**

Internal controls are the combination of management objectives (policies) and techniques (procedures) used by managers to help ensure that their agencies, programs, or functions are effectively and efficiently managed in conformity with applicable laws and regulations.

Control objectives are the positive things agency managers want to happen or negative things they want to prevent from happening. Control objectives address the risks inherent in the work being done.

Control techniques are the procedures managers use to provide reasonable assurance that their control objectives are achieved—that is, to accomplish the positive things and prevent the negative things from happening.

**Procedure**

Audit Staff	1. Prepare cover letter for the List of Threats. 2. Send cover letter and List of Threats to the auditee.
Auditee management	3. Add any threats that are missing from the list. 4. Identify the Actual controls to mitigate those threats. 5. Provide the audit staff copies of written procedures describing the identified controls. 6. Return the List of Threats and Controls to the audit staff.
Audit Staff	7. File List of Threats and Controls in the audit workpapers.